

BETWEEN EAST AND WEST:

IS THERE A CENTRAL EUROPEAN IDENTITY?

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To the question posed in the title, both affirmative and negative answers can be supported by intuition or certain facts of historical development. In order to give a historical answer, there is a need for a deeper structural analysis of the creation and development of the three regions of Europe: Western Europe, Central Europe, and Eastern Europe.

The West (Occident) began to separate from the East in the 11th century following the Great Schism of 1054. The central region was still part of the West at that time, but in the 15th century this area began to separate and lag behind. By the 16th century, the separation from the West was complete, with the result that a great dividing line was formed in European history. A further result was the gradual dissolution of feudalism in the West, while a "late feudalism" was prolonged in the Central regional.

Essential to the topic of structural analysis are the property relationships and forms of the Middle Ages. The major elements of the feudal hierarchic structure were the system of dependency and the type of property involved; in these areas the Central region

followed the West. It was, however, significantly different from the Eastern region (Russia), which extended east from the Carpathian Mountains and the Vistula to the Volga. In this Eastern region no contractual vassal and serf relationship emerged, but the one-sided dependency of the serfs persisted within the state framework, and even adopted several elements of Asian despotism.

In spite of many similarities, the Central European feudal structure also lagged behind the West in its economic development, social stratification, in its process of urbanization, and in the number and importance of the cities and the "burghers." Although the rural structure of Central and Eastern Europe had certain similar characteristics and became homogenized in the institution of the "second serfdom," the two regions differed significantly from each other in the stage of "late feudalism." In East Central Europe we can correctly speak of a "second edition" of serfdom, but in Russia we can only register the unbroken continuation and rigid persistence of the genuine primitive forms of a slave-like serfdom. The East Central European domanial economy, the Gutswirtschaft, may be considered as a prolonged and renewed feudalism -- adjusted to Western capitalism.

The second important topic is the role of the church. Contrary to the Byzantine-type Orthodox Church which was rigidly subordinated to state power and preserved conservative forms, Western Christianity developed into an independent ecclesiastical and secular power. The West and the Central European regions were characterized by a duality of the ecclesiastic and secular powers, either reinforcing or opposing each other. This plurality was one source of local freedom and autonomy, and was strongly supported by Protestantism in the West and in Hungary and Transylvania in the eastern part of the Central region.

In the long-lasting conflict between the Holy Roman Empire and the papacy, a new idea of legitimate rule and a new institutional order were born in Catholic Europe. The traditional concept of legitimacy as a gift through the grace of God had been connected with the new idea of the contractual origin of power. The dualism of the ruler and the church, as well as the ruler and the populus (rex et regnum), substantiated the pluralism of European thinking.

In the fight against secular power, the papacy received significant support from the religious orders. In addition to their activities involving conversion and preserving the faith of their people, priests held important positions in cultural life and the state administration. They almost seemed to be discarding passive contemplation. We are reminded of the Benedictine slogan: Ora et labora! (Pray and work!). This rational, sober orientation toward a life involving useful activities of the European religious orders is in sharp contrast to the monks of the Asian religions and the Orthodox Church. The rational asceticism and the work-ethic of the Western religious orders were another source of Protestantism.

From this point of view, Bohemia, Poland, Hungary, and Transylvania constitute an integral part of the West in the whole second millennium. Even now Hungary is characterized by a certain religious tolerance, as evidenced in the co-existence of six denominations: two Catholic (Roman and Greek), two Protestant (Lutheran and Calvinist), Greek Orthodox, and lately the Jewish synagogues.

As far as the relationship of state and society is concerned, the Western-type state was organized "from the bottom up"; it integrated the territorial particularities, preserving several elements of local and regional autonomies (the freedom of the church,

the estates of nobility, and the urban communities).

The political structure of the Central region does not quite follow the Western model in that the centralized "patrimonial kingdoms" existed in Bohemia, Poland, and Hungary. Beginning in the 13th century, however, the rising towns (including some dozen "free royal cities"), the estate organization of the nobility, and the status of the church all adopted the institutional forms of the Western "feudal liberties." These forms and institutions were completely lacking in the Russian region and the Balkans.

But development, of the Western-type, in the Central region, was slow and imperfect. For this reason, the Central (East Central) European political structure may be called transitional. It adopted the Western forms, but more or less lacked the social basis, the urban communities, and the free peasantry.

At this point we arrive at a crucial question: How did capitalism come into existence in Central Europe? Which factors promoted its rise and how was the conception of the "entrepreneur" born? It is a fairly widespread view that in this region, especially in its eastern part, capitalist development was not "autonomous," but was imported -- induced from the outside and from above (Gerschenkron); it resulted in the disintegration of the traditional agricultural society, which was not yet mature enough for modernization (Gy. Scefku, L. Neemz). It is well-known in the West that society itself (i.e., the entrepreneur) created the conditions of capitalist accumulation and the production and marketing structure of capitalism, while in the developed central territories (Germany), capitalism was created by foreign and bank capital, while still relying on internal resources. In the East, however, it was brought about by the state with the help of

foreign capital.

One cannot deny that East Central European modernization was greatly stimulated and effectively promoted by the foreign capital influx. This fact does not, however, suffice as an argument for the concept of the "importation of capitalism" -- particularly as far as its genesis is concerned. If we consider, for example, Hungarian development in the 18th century (the age of recovery), the accumulation of capital in Hungary started primarily in corn and animal trade. Its social basis was to be found not in the traditional urban burghers and not in the nobility, but in the Greek, Serbian, and Armenian merchants who moved into the country from abroad. As a result of their activities, a network and an efficient mechanism of commerce, and an actual infrastructure of trade, were established at the end of the 18th century. The newcomers accumulated a relatively large amount of capital in a few decades. They could not, however, transform the accumulated fortune into modernizing entrepreneurial capital. To discover the proper answer as to why this could not be achieved, we must consider some specific features of East Central European modernization.

Some groups of the foreign merchants (mostly Greeks) withdrew from business and withdrew their capital from the country. Later they returned to Greece or settled in Vienna. Other groups of the enriched merchants adjusted to the existing order, bought landed property, vineyards, and titles of nobility. The next generation of the ennobled merchants were integrated into the Hungarian noble elite. In the second half of the 18th century, however, a new mercantile element, the Jews, settled down in the country. They gradually squeezed out other merchant groups, and occupied a prevailing role in commerce and modernization. In 1785 the Jews in Hungary numbered about 83,000; 60 years later in 1842, their

were a quarter of a million Jews in the area. It was these Jews who realized a very successful capital accumulation and became the main representatives of the entrepreneurial capital.

There are several reasons why the Jews were able to accomplish this fact:

1. Jewish merchants began as simple peddlers, commission-agents ("factors"), small shopkeepers or innkeepers. They had few personal needs, were modest and diligent. Usually that did not live in cities, but in villages, around the landlord's manor. Each of these individuals acted as links of a nationwide commercial network.

2. The Jews controlled primarily the wool and the tobacco trades, and they penetrated into the commerce of corn, animals, wine, leather, etc., which were the main products of the agrarian country.

3. Jewish merchants usually were not simply buyers or sellers, as traditional licensed merchants were, but were at once buyers and sellers. Thus, they actually realized a two-way commerce -- with a double profit-making proficiency.

4. They usually gave loans to landlords and peasants. A typical form of money-lending occurred in the springtime when the merchant gave loans to the farmers -- and demanded high rates of interest after the harvest. In this way the Jewish merchants took over the function of money-lenders and later of bankers.

5. At the same tie they contributed to building modern transportation (roads, storage

facilities, the Danube cabotage drawn by horses, etc.).

6. The decisive difference between Jewish and gentile merchants lay, however, not so much in accumulation methods, but primarily in investment strategies. Jews were gradually emancipated (finally in 1868); before that time they were not allowed to own landed property, to be appointed to public offices, to obtain citizenship, etc. Because they were prohibited from investing their capital in real estate, they were compelled to put their profits back into their businesses, and later into railroad construction, and into food, (especially the milling industries). They thus promoted the industrial take-off in East Central Europe.

This economic and legal situation is one major aspect of why and how Central European Jews differed from the Eastern Jews (the Stadte-Juden), who had very limited possibilities for large-scale accumulation, and even less for investments. There is, however, another basic difference between the Jews of the two regions. While Russian and Romanian Jews could hardly be integrated into the Russian or Romanian societies, the Central European Jews were actually assimilated en masse into the recipient nation. The long process of assimilation was by no means a superficial adjustment or merely a practical bilingualism of temporary settlers, but a real social integration characterized by a growing number of conversions, mixed marriages, ennoblements, and by the ardent patriotism of the loyal assimilants.

Taking into consideration this aspect of modernization, the "Jewish problem" may be viewed as an economically motivated political anti-Semitism. It must be regarded, too, as a specifically Central European phenomenon -- and a historical tragedy.

This problem leads to the fundamental consideration of the transition from traditional to modern bourgeois society, and the historical place of the 1848 Revolution in Central Europe.

The abolition of serfdom and other feudal privileges in Central Europe was not as radical, and did not bring about such deep structural changes, as the French Revolution did in 1793-94. Although the 1848 Revolution did not touch the manorial lands and the related rights of the landlord, the abolition of serfdom was carried out by state compensation, and common pastures and forests were distributed among the ex-serf peasants. After the revolutionary settlement, the landed nobility overcame the difficulties of the transition to capitalist economy by following the English model, making use of the accumulated merchants' (money-lenders') capital and capitalist lease-holders, and employing laborers for wages.

In Russia, however, the reform of 1861 emancipated the serfs in a lopsided manner. It impoverished the majority of the peasantry by the heavy burden of compensation. Forced labor (robot) and dues in kind played a great role in Russian agrarian relationships until the October revolution of 1917. It was Lenin who wrote in 1905 that the domanial husbandry in Russia "depended upon feudal serfdom rather than a capitalist system of economy."

The Revolution of 1848 introduced liberal civic rights and parliamentary systems into the lands of the Habsburg monarchy. Although the post-revolutionary neo-absolutism suspended these institutions and constitutionalism for seventeen years, the Austro-Hungarian compromise (Ausgleich) of 1867 restored and gradually consolidated a Central European version of the Western governmental system in Austria and Hungary.



Still the question is often raised whether the new state-system was really, in everyday practice, liberal or just looked liberal on the surface. Was the monarchy a constitutional state (Rechtsstaat) or did it basically remain a hidden form of absolutism, the "prison of people"? As one contemporary socialist politician said, "Absolutismus gemildert durch Schlamperei."

Although leftist radical and nationalist radical historians deny the actual liberalism of the dual monarchy, and merely accept its "pseudo-constitutionalism," its double character must be emphasized. This state was authoritarian, with remnants of absolutism; (Obrigkeitsstaat), and also constitutional at the same time, with a comparatively wide range of liberal civic rights. As Robert Musil puts it so appropriately, "By its constitution it was liberal, but its system of government was clerical. The system of government was clerical, but the general attitude of life was liberal. Before the law all citizens were equal, but not everyone...was a citizen." After all, no matter how strong the authority of the emperor was and the extent of his interference in government, the monarchy was the eastern border of European liberalism.

During the half century of dualism in the Dual Monarchy, the political culture of customs imbued the middle stratum and the masses of organized workers with certain norms of public behavior. It is a fact, however, that millions of the peasantry living at the lowest level did not receive such schooling.

In conclusion it may be stated that Central Europe is an existing historical entity. Primarily its Eastern part is, in the geographical, historical, and social sense, a transitional region. The people of this region came from the East, had permanent contact with the East, but turned toward the West. The countries in the region made two great attempts

to catch up. The first was disrupted by the restructuralization centered in the Atlantic region in the 16th century, and a great number of catastrophies; the second was disrupted by the two great wars in our century and by their grave consequences, which again pushed them to the eastern periphery.

Central Europe, and within it East Central Europe, is an existing entity — but it has no adequate identity and there is only a faint awareness of it in the intellectual elite. Responsibility for this lies in the nationalism that the small nations have developed, which has pitted them against each other and which has, politically and from the point of view of consciousness, divided and weakened them and exposed them to the great powers that have ruled the region for the past two centuries. This nationalistic rivalry among the small nations has so far proved more powerful than any regional community consciousness.